

Sterling

BUSINESS LAW

A PRIVATE LAW FIRM

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VIA OVERNIGHT DELIVERY
August 11, 2020

Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399

Re: Easton Telecom Services LLC
Application for Original Authority to Provide Telecommunications Service in the State of Florida
Docket No.: 20200171-TX

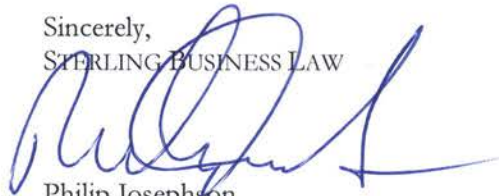
To the Florida Public Service Commission –

Enclosed with this letter is an Application for Original Authority to Provide Telecommunications Service in the State of Florida filed by Easton Telecom Services LLC. We ask that you please enter this submission into the Docket indicated above.

An additional copy of Easton’s Application is also enclosed with this letter and please note that the \$500.00 Application fee has previously been sent to the Commission for this matter.

Thank you for the opportunity to submit this Application and if there are any questions, please contact this office at your convenience.

Sincerely,
STERLING BUSINESS LAW



Philip Josephson
Regulatory Counsel to Easton Telecom Services

cc: Easton Telecom Services
Encl: Application – Original
Application – Copy

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COMMISSION

FLORIDA PUBLIC SERVICE COMMISSION

OFFICE OF INDUSTRY DEVELOPMENT AND MARKET ANALYSIS

APPLICATION FOR ORIGINAL AUTHORITY OR TRANSFER OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICE IN THE STATE OF FLORIDA

INSTRUCTIONS

This form should be used as the application for an original certificate and transfer of an existing certificate (from a Florida certificated company to a non-certificated company). In the case of a transfer, the information shall be provided by the transferee. If you have other questions about completing the form, call **(850) 413-6600**.

Print or type all responses to each item requested in the application. If an item is not applicable, please explain. All questions must be answered. If unable to answer the question in the allotted space, please continue on a separate sheet.

Once completed, submit the **original and one copy** of this form along with a **non-refundable** fee of **\$500.00** to:

**Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770**

APPLICATION

This is an application for (check one):

Original certificate (new company)

Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate rather than apply for a new certificate.

Please provide the following:

1. Full name of company, including fictitious name(s), that must match identically with name(s) on file with the Florida Department of State, Division of Corporations registration:

EASTON TELECOM SERVICES, L.L.C.

2. The Florida Secretary of State corporate registration number:

M01000002613

3. F.E.I. Number: **34-1961773**

4. Structure of organization:

The company will be operating as a:
(Check all that apply):

- | | | | |
|-------------------------------------|---------------------------|--------------------------|------------------------------|
| <input type="checkbox"/> | Corporation | <input type="checkbox"/> | General Partnership |
| <input type="checkbox"/> | Foreign Corporation | <input type="checkbox"/> | Foreign Partnership |
| <input checked="" type="checkbox"/> | Limited Liability Company | <input type="checkbox"/> | Limited Partnership |
| <input type="checkbox"/> | Sole Proprietorship | <input type="checkbox"/> | Other, please specify below: |
-

If a partnership, provide a copy of the partnership agreement.

If a foreign limited partnership, proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS). The Florida registration number is:

5. Who will serve as point of contact to the Commission in regard to the following?

(a) This application:

Name: PHILIP JOSEPHSON
Title: REGULATORY COUNSEL
Street Address: 2665 S. BAYSHORE DRIVE, PH2B
Post Office Box:
City: MIAMI
State: FLORIDA
Zip: 33133
Telephone No.: 305.285.7970
Fax No.: 30.285.7971
E-Mail Address: pjosephson@sterlingbusinesslaw.com

(b) Ongoing operations of the company:

(This company liaison will be the point of contact for FPSC correspondence. This point of contact can be updated if a change is necessary but this must be completed at the time the application is filed).

Name: JIM KOLEZYNSKI
Title: DIRECTOR OF OPERATIONS
Street Address: 3046 BRECKSVILLE ROAD, SUMMIT II, UNIT A
Post Office Box:
City: RICHFIELD
State: OHIO
Zip: 44286
Telephone No.: 330.659.6700
Fax No.: 330.659.9379
E-Mail Address: jkolezynski@eastontelecom.com
Company Homepage: www.eastontel.com

(c) Optional secondary point of contact or liaison:

(This point of contact will not receive FPSC correspondence but will be on file with the FPSC).

Name: ROBERT E. MOCAS
Title: PRESIDENT
Street Address: 3046 BRECKSVILLE ROAC, SUMMIT II, UNIT A
Post Office Box:
City: RICHFIELD
State: OHIO
Zip: 44286
Telephone No.: 330.659.6700
Fax No.: 330.659.9379
E-Mail Address: rmocas@eastontelecom.com

6. Physical address for the applicant that will do business in Florida:

Street address: 3046 BRECKSVILLE ROAD, SUMMIT II, UNIT A
City: RICHFIELD
State: OHIO
Zip: 44286
Telephone No.: 330.659.6700
Fax No.: 330.69.9379
E-Mail Address: jkolezynski@eastontelecom.com

7. List the state(s), and accompanying docket number(s), in which the applicant has:

(a) **operated** as a telecommunications company.

Please see Schedule 7(a) attached.

(b) **applications pending** to be certificated as a telecommunications company.

NONE.

(c) **been certificated** to operate as a telecommunications company.

Please see Schedule 7(c) attached.

(d) **been denied authority** to operate as a telecommunications company and the circumstances involved. **NONE.**

(e) **had regulatory penalties imposed** for violations of telecommunications statutes and the circumstances involved. **NONE.**

(f) **been involved in civil court proceedings** with another telecommunications entity, and the circumstances involved. **NONE.**

8. The following questions pertain to the officers and directors. Have any been:

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency restored), or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings? Yes No

If yes, provide explanation.

(b) granted or denied a certificate in the State of Florida (this includes active and canceled certificates)? Granted Denied Neither

If granted provide explanation and list the certificate holder and certificate number.

If denied provide explanation.

(c) an officer, director, and partner in any other Florida certificated telecommunications company? Yes No

If yes, give name of company and relationship. If no longer associated with company, give reason why not.

9. Florida Statute 364.335(1)(a) requires a company seeking a certificate of authority to demonstrate its managerial, technical, and financial ability to provide telecommunications service.

Note: *It is the applicant's burden to demonstrate that it possesses adequate managerial ability, technical ability, and financial ability. Additional supporting information may be supplied at the discretion of the applicant. For the purposes of this application, financial statements MUST contain the balance sheet, income statement, and statement of retained earnings.*

(a) **Managerial ability:** An applicant must provide resumes of employees/officers of the company that would indicate sufficient managerial experiences of each. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume. **Please see Schedule 9 attached.**

(b) **Technical ability:** An applicant must provide resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume. **Please see Schedule 9 attached.**

(c) **Financial ability:** An applicant must provide financial statements demonstrating financial ability by submitting a balance sheet, income statement, and retained earnings statement. An applicant that has audited financial statements for the most recent three years must provide those financial statements. If a full three years' historical data is not available, the application must include both historical financial data and pro forma data to supplement. An applicant of a newly established company must provide three years' pro forma data. If the applicant does not have audited financial statements, it must be so stated and signed by either the applicant's chief executive officer or chief financial officer affirming that the financial statements are true and correct.

Please see Schedule 9 and Schedule 9(c) attached.

10. Where will you officially designate as your place of publicly publishing your schedule a/k/a tariffs or price lists)? (Tariffs or price lists MUST be publicly published to comply with Florida Statute 364.04).

Florida Public Service Commission

Website – Please provide Website address:

<http://www.eastontel.com/customer-resources>

Other – Please provide address: _____

THIS PAGE MUST BE COMPLETED AND SIGNED

REGULATORY ASSESSMENT FEE: I understand that all telecommunications companies must pay a regulatory assessment fee. A minimum annual assessment fee, as defined by the Commission, is required.

RECEIPT AND UNDERSTANDING OF RULES: I understand the Florida Public Service Commission's rules, orders, and laws relating to the provisioning of telecommunications company service in Florida.

APPLICANT ACKNOWLEDGEMENT: By my signature below, I, the undersigned owner or officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical ability, managerial ability, and financial ability to provide telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules, orders and laws.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "**Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083.**"

I understand that any false statements can result in being denied a certificate of authority in Florida.

COMPANY OWNER OR OFFICER

Print Name:	ROBERT E. MOCAS
Title:	PRESIDENT
Telephone No.:	330.659.6700
E-Mail Address:	rmocas@eastontel.com

Signature: Robert E. Mocas Date: 8/11/2020

Schedule 7(a) and Schedule 7(c)

State Authority Status

Jurisdictions	IXC Authority	Date Authorized	CLEC Authority	Date Authorized	Docket # (if applicable)
Alabama	Resale	3/13/2002	---	---	---
Alaska	---	---	---	---	---
Arizona	Resale	11/20/2002	---	---	---
Arkansas	Resale	1/17/2002	Resale	2/13/2003	02-249-U
California	Resale	1/25/2002	Resale/Facilities-Based	6/5/2003	U-6778-C
Colorado	Resale	11/8/2001	---	---	---
Connecticut	Resale	4/21/2005	Resale	4/21/2005	04-03-15
Delaware	Resale	6/18/2002	---	---	---
District of Columbia	Resale	12/10/2001	---	---	---
Florida	Resale	4/1/2002	---	---	---
Georgia	Resale	1/10/2002	---	---	---
Hawaii	Resale	4/8/2002	---	---	---
Idaho	Resale	1/20/2002	---	---	---
Illinois	Resale	8/7/2002	Resale/Facilities-Based	8/7/2002	02-0154
Indiana	Resale	4/22/2002	Resale	5/28/2002	40900
Iowa	Resale	4/25/2002	---	---	---
Kansas	Resale	2/19/2002	Resale/Facilities-Based	4/9/2003	03-ESTT-457-COC
Kentucky	Resale	12/19/2001	Resale	9/20/2010	T63-0481
Louisiana	Resale	10/11/2004	---	---	---
Maine	---	---	---	---	---
Maryland	Resale	4/10/2002	---	---	---
Massachusetts	Resale	12/18/2001	---	---	---
Michigan	Resale	11/6/2002	Resale/Facilities -Based	10/15/1997	U-11441
Minnesota	Resale	4/24/2002	---	---	---
Mississippi	Resale	2/4/2002	---	---	---
Missouri	Resale	2/14/2002	---	---	---
Montana	---	---	---	---	---
Nebraska	Resale	4/2/2002	Resale/Facilities-Based	10/28/2003	C-2934
Nevada	---	---	---	---	---
New Hampshire	Resale	2/11/2002	---	---	---
New Jersey	Resale	11/9/2001	---	---	---
New Mexico	Resale	5/1/2002	---	---	---
New York	Resale	5/30/2002	Resale/Facilities-Based	12/22/2004	01-C-1885
North Carolina	Resale	3/25/2002	---	---	---
North Dakota	Resale	2/14/2002	Resale	2/14/2002	PU-2649-02-389
Ohio	Resale	4/24/2002	Resale	4/24/2002	90-9032
Oklahoma	Resale	4/11/2002	---	---	---
Oregon	Resale	1/8/2002	Resale	7/23/2010	10-283
Pennsylvania	Resale	2/21/2002	Resale/Facilities-Based	9/29/2005	A-311155F.3
Rhode Island	Resale	12/21/2005	---	---	---
South Carolina	Resale	9/27/2002	---	---	---
South Dakota	---	---	---	---	TC10-085
Tennessee	Resale	6/13/2002	Resale	6/13/2002	121995
Texas	Resale	11/19/2001	Resale/Facilities-Based	1/5/2004	60671
Utah	Resale	11/21/2001	Resale	2/9/2010	09-2517-01
Vermont	Resale	2/20/2002	---	---	---
Virginia	Resale	5/29/2002	---	---	---
Washington	Resale	2/14/2002	Resale	9/22/1999	UT-020571
West Virginia	Resale	6/20/2002	---	---	---
Wisconsin	Resale	12/4/2001	Resale	5/3/2002	7617
Wyoming	Resale	12/21/2001	---	---	---

Schedule 9

Managerial, Technical, and Financial Capability

Robert E. Mocas, General Manager

63 years old. BA in 1979 and post-graduate studies. Entered telecom industry in 1983 as Consultant Trainee. Became Senior Vice President in 1988. Left firm in 1992 to found Resale LO Company. Operated successfully as President for 7 years. Sold company in 1999, remained as Vice President of parent firm and operated as subsidiary profitably. Organized Weston Telecommunications, LLC, now known as Easton Telecom Services, L.L.C. to purchase assets of Easton Telecom Services, Inc. in 2001.

Jim Kolezynski, Director of Operations

67 years old. 47 years of experience in industry. MBA, BA in Business Administration; Associate in Accounting. Has held managerial positions in various disciplines including Accounting, Sales, Marketing and Business Development. Previously with SBC/Ameritech, Ohio Bell, and AT&T.

Samantha Macke, Controller

41 years old, employed at Easton since 2018. BA in 2000, MBA expected May of 2021. 15 years of experience in accounting, financial analysis, and tax compliance. Previously with the Better Business Bureau.

James W. Butler, Director of Sales and Marketing

53 years old. 32 years of experience in industry. Employed by Easton since September 1992. Previously the Manager of Support Services. Previous experience in outside sales for LOOS, Allnet and Conquest Communications.

Denise L. Stoppenhagen, Director of Network Services

55 years old. 31 years of experience in industry. Employed by Easton since 1994. BA in 1987. Previously with Progressive Communication Technologies as Manager of Complex Local Networks Local/Data/Equipment/LO and Disaster Recovery.

Dawna R. Kornick, Director of Support & Local Network Services

62 years old. 33 years of experience in industry. Employed by Easton since 1995. Previously with BN1 Telecommunications where she held several different positions including Marketing Support Rep., Account Coordinator, Provisioning & Customer Service.

The Applicant, Easton Telecom Services, L.L.C., submits the following financial information:

Fiscal Year 2017 - Audited Balance Sheet, Income Statement, and Retained Earnings Statement

Fiscal Year 2018 - Audited Balance Sheet, Income Statement, and Retained Earnings Statement

Fiscal Year 2019 - Audited Balance Sheet, Income Statement, and Retained Earnings Statement

The Applicant affirms that the financial information are true and correct.

Signed: Robert E. Mocas
Robert E. Mocas, President

Date: 8/11/2020

STATEMENT OF INCOME
EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	2017	2016
Net sales	\$ 15,439,802	\$ 15,752,715
Purchase of phone services	9,788,625	10,271,475
Commissions	2,131,716	2,079,994
Cost of Sales	11,920,341	12,351,469
Gross Profit	3,519,461	3,401,246
Operating Expenses	3,074,834	2,791,906
Income from Operations	444,627	609,340
Other Income (Expense):		
Interest income	17,603	8,593
Interest expense	(32,940)	(29,521)
Total Other Expense	(15,337)	(20,928)
Income before Provision for City Income Taxes	429,290	588,412
Provision for city income taxes	(5,718)	(32,683)
Net Income	\$ 423,572	\$ 555,729

See accompanying notes and accountant's report.

BALANCE SHEET

EASTON TELECOM SERVICES, LLC.

	December 31	
	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 675,447	\$ 524,033
Accounts receivable - trade	<u>1,053,093</u>	<u>1,253,937</u>
Total Current Assets	1,728,540	1,777,970
PROPERTY AND EQUIPMENT:		
Cost	204,667	204,667
Less: Allowance for depreciation	<u>164,500</u>	<u>154,452</u>
Total Property and Equipment	40,167	50,215
OTHER ASSETS:		
Deposits	14,000	14,000
Notes receivable	<u>53,191</u>	<u>53,191</u>
Total Other Assets	<u>67,191</u>	<u>67,191</u>
Total Assets	<u>\$ 1,835,898</u>	<u>\$ 1,895,376</u>

See accompanying notes and accountant's report.

	December 31	
	<u>2017</u>	<u>2016</u>
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Line-of-credit	\$ 386,581	\$ 98,108
Current portion of long-term debt	74,500	63,200
Accounts payable	1,080,500	1,098,020
Accrued commissions	211,883	178,770
Accrued profit sharing	70,000	70,000
Communications taxes payable	510,119	531,372
Deferred revenue	<u>301,001</u>	<u>350,870</u>
 Total Current Liabilities	 2,634,584	 2,390,340
 LONG-TERM DEBT - net of current portion	 <u>294,813</u>	 <u>376,583</u>
 Total Liabilities	 2,929,397	 2,766,923
 MEMBERS' EQUITY (DEFICIT)	 <u>(1,093,499)</u>	 <u>(871,547)</u>
 Total Liabilities and Members' Equity (deficit)	 <u>\$ 1,835,898</u>	 <u>\$ 1,895,376</u>

STATEMENT OF MEMBERS' EQUITY (DEFICIT)

EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	<u>2017</u>	<u>2016</u>
Beginning - Members' Equity (Deficit)	\$ (871,547)	\$ (532,193)
Net income	423,572	555,729
Distributions	<u>(645,524)</u>	<u>(895,083)</u>
Ending - Members' Equity (Deficit)	<u>\$ (1,093,499)</u>	<u>\$ (871,547)</u>

See accompanying notes and accountant's report.

STATEMENT OF INCOME
EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	2018	2017
Net sales	\$ 14,233,391	\$ 15,439,802
Purchase of phone services	8,701,516	9,788,625
Commissions	2,005,432	2,131,716
Cost of Sales	10,706,948	11,920,341
Gross Profit	3,526,443	3,519,461
Operating Expenses	2,930,917	3,074,834
Income from Operations	595,526	444,627
Other Income (Expense):		
Interest income	10,207	17,603
Interest expense	(42,465)	(32,940)
Other Expense	(53,190)	-
Total Other Expense	(85,448)	(15,337)
Income before Provision for City Income Taxes	510,078	429,290
Provision for city income taxes	16,422	5,718
Net income	\$ 493,656	\$ 423,572

See accompanying notes and accountant's report.

BALANCE SHEET

EASTON TELECOM SERVICES, LLC.

	December 31	
	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 756,669	\$ 675,447
Accounts receivable - trade	773,143	1,053,093
Prepaid expenses	<u>50,166</u>	<u>-</u>
Total Current Assets	1,579,978	1,728,540
PROPERTY AND EQUIPMENT:		
Cost	218,785	204,667
Less: Allowance for depreciation	<u>188,143</u>	<u>164,500</u>
Total Property and Equipment	30,642	40,167
OTHER ASSETS:		
Deposits	-	14,000
Notes receivable	<u>-</u>	<u>53,191</u>
Total Other Assets	<u>-</u>	<u>67,191</u>
Total Assets	<u>\$ 1,610,620</u>	<u>\$ 1,835,898</u>

See accompanying notes and accountant's report.

	December 31	
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)	<u>2018</u>	<u>2017</u>
CURRENT LIABILITIES:		
Line-of-credit	\$ 379,990	\$ 386,581
Current portion of long-term debt	78,000	74,500
Accounts payable	1,220,256	1,080,500
Accrued commissions	159,592	211,883
Accrued profit sharing	70,568	70,000
Communications taxes payable	345,427	510,119
Deferred revenue	<u>303,761</u>	<u>301,001</u>
Total Current Liabilities	2,557,594	2,634,584
LONG-TERM DEBT - net of current portion	<u>226,046</u>	<u>294,813</u>
Total Liabilities	2,783,640	2,929,397
MEMBERS' EQUITY (DEFICIT)	<u>(1,173,020)</u>	<u>(1,093,499)</u>
Total Liabilities and Members' Equity (Deficit)	<u>\$ 1,610,620</u>	<u>\$ 1,835,898</u>

STATEMENT OF MEMBERS' EQUITY (DEFICIT)

EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	<u>2018</u>	<u>2017</u>
Beginning - Members' Equity (Deficit)	\$ (1,093,499)	\$ (871,547)
Net income	493,656	423,572
Distributions	<u>(573,177)</u>	<u>(645,524)</u>
Ending - Members' Equity (Deficit)	<u>\$ (1,173,020)</u>	<u>\$ (1,093,499)</u>

See accompanying notes and accountant's report.

STATEMENT OF INCOME
EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	2019	2018
Net sales	\$ 13,564,410	\$ 14,233,391
Purchase of phone services	8,548,885	8,701,516
Commissions	<u>1,843,388</u>	<u>2,005,432</u>
Cost of Sales	<u>10,392,273</u>	<u>10,706,948</u>
Gross Profit	3,172,137	3,526,443
Operating Expenses	<u>2,747,780</u>	<u>2,930,917</u>
Income from Operations	424,357	595,526
Other Income (Expense):		
Interest income	3,496	10,207
Interest expense	(43,794)	(42,465)
Other Income (Expense):	<u>8,711</u>	<u>(53,190)</u>
Total Other Expense	<u>(31,587)</u>	<u>(85,448)</u>
Income before Provision for City Income Taxes	392,770	510,078
Provision for city income taxes	<u>18,103</u>	<u>16,422</u>
Net Income	<u>\$ 374,667</u>	<u>\$ 493,656</u>

See accompanying notes and accountant's report.

BALANCE SHEET

EASTON TELECOM SERVICES, LLC.

	December 31	
	<u>2019</u>	<u>2018</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 792,370	\$ 756,669
Accounts receivable - trade	716,627	773,143
Prepaid expenses	<u>24,505</u>	<u>50,166</u>
Total Current Assets	1,533,502	1,579,978
PROPERTY AND EQUIPMENT:		
Cost	218,785	218,785
Less: Allowance for depreciation	<u>198,072</u>	<u>188,143</u>
Total Property and Equipment	<u>20,713</u>	<u>30,642</u>
Total Assets	<u>\$ 1,554,215</u>	<u>\$ 1,610,620</u>

See accompanying notes and accountant's report.

	December 31	
	<u>2019</u>	<u>2018</u>
LIABILITIES AND MEMBER'S EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Line-of-credit	\$ 500,000	\$ 379,990
Current portion of long-term debt	82,000	78,000
Accounts payable	1,243,934	1,220,256
Accrued commissions	141,650	159,592
Accrued profit sharing	54,066	70,568
Communications taxes payable	283,664	345,427
Deferred revenue	446,745	303,761
Accrued income taxes	<u>1,600</u>	<u>-</u>
Total Current Liabilities	2,753,659	2,557,594
LONG-TERM DEBT - net of current portion	<u>144,643</u>	<u>226,046</u>
Total Liabilities	2,898,302	2,783,640
MEMBER'S EQUITY (DEFICIT)	<u>(1,344,087)</u>	<u>(1,173,020)</u>
Total Liabilities and Member's Equity (Deficit)	\$ 1,554,215	\$ 1,610,620

STATEMENT OF MEMBER'S EQUITY (DEFICIT)

EASTON TELECOM SERVICES, LLC.

	Year Ended December 31	
	<u>2019</u>	<u>2018</u>
Beginning - Member's Equity (Deficit)	\$ (1,173,020)	\$ (1,093,499)
Net income	374,667	493,656
Distributions	<u>(545,734)</u>	<u>(573,177)</u>
Ending - Member's Equity (Deficit)	<u>\$ (1,344,087)</u>	<u>\$ (1,173,020)</u>

See accompanying notes and accountant's report.